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260 FRANKLIN STREET

BOSTON, MA 02110-3173

(617) 748-6800

FACSIMILE (617) 439-0341

E-MAIL ADDRESS PATRICIA FRENCH@LLGM COM

WRITER'S DIRECT DIAL (617) 748-6830

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September 23, 2002

#### **BY HAND**

Mary L. Cottrell, Secretary
Department of Telecommunications
and Energy
One South Station
Boston, MA 02110

Re: Fitchburg Gas and Electric Light Company, D.T.E.

Dear Ms. Cottrell:

Enclosed for filing on behalf of Fitchburg Gas and Electric Light Company ("FG&E"), please find an original and eight Copies of a Motion for Protective Treatment For Confidential and competitively sensitive information contained in FG&E's response to AG RR 44.

Thank you for your attention to this matter.

Very truly yours,

Patricia M. French

PMF:rtm

**Enclosure** 

cc: Jeanne Voveris, Esq. Hearing Officer (3)
Sean Hanley, Asst. Director Rates and Revenues Requirement Division (6)
Paul E. Osborne, Asst. Director Rates and Revenue Requirement Division (6)
Wilner Borgella, Jr., Assistant Attorney General (4)

Matthew T. Morais, Esq., DOER (4)

Service List

### COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY	) ) )	D.T.E. 02-24/25
	)	

# MOTION OF FITCHBURG GAS AND ELECTRIC LIGHT COMPANY FOR PROTECTIVE TREATMENT

NOW COMES Fitchburg Gas and Electric Light Company ("FG&E") and respectfully requests that the Department of Telecommunications and Energy ("Department") grant it protection from public disclosure over certain confidential, competitively sensitive and proprietary information submitted in this proceeding in accordance with G.L. c. 25, § 5D. In support of its Motion, FG&E states:

- 1. On May 17, 2002, FG&E filed revised tariffs and schedules to implement proposed changes to its Gas Division rates and charges and its Electric Division rates and charges. FG&E's filing included supporting testimony of Mark H. Collin, Exh. FGE-MHC-1.
- 2. Mr. Collin's testimony supports <u>inter alia</u> rate case expense for FG&E in order to present the Electric Division and Gas Division rate cases, and FG&E's test year legal expenses for each division. Pertinent to this Motion is that part of the rate case expense is also associated with legal fees.
- 3. In particular to this Motion, both the Attorney General requested information regarding the fees charged to FG&E by LeBoeuf, Lamb, Greene & MacRae, L.L.P., FG&E's counsel in this proceeding. See AG-RR-44.

#### 4. AG-RR-44 asks:

Please provide a copy of the engagement letter or discount letter that Mr. Collin discussed (Tr. 1326) which memorializes the hourly rate that the law firm of LeBoeuf is charging the company in connection with the rate cases DTE 02-24 and DTE 02-25. Also, please provide LeBoeuf's usual rate and the amount of the discount, as well as any other entity that actually pays that rate; if you know, if LeBoeuf will reveal that information.

- 5. In order to answer the request fully, FG&E must provide (1) a copy of the negotiated regulatory discount letter discussed by Mr. Collin; (2) a description of the rates applicable to the rate proceedings, with the negotiated rate evident thereon; and (3) a listing of LLG&M's current legal fees for legal counsel.
- 6. With regard to Attachment 1 AG-RR-44 and Attachment 2 AG-RR-44, this letter and paragraph respectively discuss the relationship between FG&E and LLG&M and the negotiated fee structure, which is confidential and competitively sensitive. Without waiving any privilege or any objection to the question asked, but rather specifically reserving the same, FG&E provides this material to the parties that have signed confidentiality agreements in order to explain the level of FG&E's test year legal fees and rate case expenses as required under Department precedent. Therefore, FG&E requests protection of this information from public disclosure pursuant to Chapter 25, Section 5D of the General Laws of Massachusetts.
- 7. With regard to Attachment 3 AG-RR-44, this page delineates the established fees for each level of legal advice charged in 2002 to Unitil, as requested by the Attorney General.

This information is proprietary and competitively sensitive to LLG&M. Therefore, FG&E requests protection of this information from public disclosure pursuant to Chapter 25, Section 5D of the General Laws of Massachusetts.

- 8. G.L. c. 25, § 5D is specifically designed to protect against disclosure of competitively sensitive information. That provision, in part, provides:
  - [T]he [D]epartment may protect from public disclosure, trade secrets, confidential, competitively sensitive or other proprietary information provided in the course of proceedings conducted pursuant to this chapter. There shall be a presumption that the information for which such protection is sought is public information and the burden shall be upon the proponent of such protection to prove the need for such protection. Where such a need has been found to exist, the [D]epartment shall protect only so much of the information as is necessary to meet such need.
- G.L. c. 25, § 5D. In determining the existence and extent of such a need, the Department must consider the presumption in favor of disclosure and the specific reasons why disclosure of the disputed information benefits the public interest. Fitchburg Gas and Electric Light Co., D.P.U. 97-5A, p. 4 (1997), citing Berkshire Gas Co., D.P.U. 93-187/188/189/190, p. 16 (1994). The utility must show need by a specific factual demonstration, and with respect to a price term, must show the manner in which the price term is competitively sensitive. <u>Id.</u> (citations omitted).
- 9. LLG&M has informed FG&E that the rates contained in the letter to Mark Collin are considered proprietary and contain confidential material, proprietary information and trade secrets, the public dissemination of which would damage LLG&M from a competitive standpoint. According to LLG&M, these negotiated rates should be protected from both display

and use by any individuals other than those with a strict need to know in order to support the informational requirements of this proceeding.

10. LLG&M has also informed FG&E that the attorney and staff legal fees delineated in Attachment 3 AG-RR-44 are considered as confidential and competitively sensitive material to LLG&M. The Department should apply restrictions on the manner in which this material may be viewed and disseminated, and under no circumstances should this material be distributed to the public, any third party, or any entity or individual not subject to a confidentiality agreement, in whole or part, aside from the Department itself as part of its investigation of FG&E's rate request.

WHEREFORE, Fitchburg Gas and Electric Light Company respectfully requests that the Department of Telecommunications and Energy grant its Motion for Protective Treatment as stated herein, and protect from public disclosure Attachment 1 AG-RR-44, Attachment 2 AG-

RR-44 and Attachment 3 AG-RR-44 in this docket.

Respectfully submitted,

## FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

By its attorneys,

Scott J. Mueller Patricia M. French Meabh Purcell

LeBoeuf, Lamb, Greene & MacRae, L.L.P.

260 Franklin Street

Boston, MA 02110-3173

(617) 439-9500

Dated: September 20, 2002

### CERTIFICATION

I, Regina Minichello, certify that I caused to have served a copy of the within Motion on the service list on file with the Secretary of the Department of Telecommunications and Energy for D.T.E. 02-24/25.

Dated at Boston, this 23rd day of September, 2002.

Regina Minichello

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Record Request Response
September 19, 2002

Record Request No.: AG-RR-44 (Common)

Please provide a copy of the engagement letter or discount letter that Mr. Collin discussed (Tr. 1326) which memorializes the hourly rate that the law firm of LeBoeuf is charging the company in connection with the rate cases DTE 02-24 and DTE 02-25. Also, please provide LeBoeuf's usual rate and the amount of the discount, as well as any other entity that actually pays that rate; if you know, if LeBoeuf will reveal that information.

#### Response:

This response includes privileged attorney-client communications and in addition, contains information that is competitively sensitive to LeBoeuf, Lamb, Greene & MacRae, L.L.P. Accordingly the attachments are provided in single copy along with a Motion for Protective Treatment under G.L. c. 25.

Please see confidential Attachment 1 AG-RR-44 for the engagement letter discussed by Mr. Collin. Please note that rate cases are excluded from the negotiated retainer discount; FG&E, however, negotiated a special rate case discount as shown in Attachment 2 AG-RR-44. Paragraph 3 of Attachment 1 AG-RR-44 also addresses the issue of other entities that are provided with such discounts.

Please see confidential Attachment 3 AG-RR-44 for LLGM Boston's hourly fees for 2002, which are also found in the legal invoices submitted in this proceeding.

Person Responsible: Mark H. Collin